

20 May 1969

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Attention: John C.

Subject:
Task Order No. 22

25X1

Gentlemen:

In response to our recent telephone conversation regarding the pending overrun on the subject contract, we are pleased to provide the following information.

The cost incurred under the subject contract during the month of February was for the preparation and finalization of the Final Report. The Final Report was delivered on 29 February 1968 per the delivery schedule of the contract. The period of performance was through 1 February with the draft final report due thirty days after completion of the actual work.

The additional cost incurred during the subsequent months of the contract was for the payment of vendor material which was delivered during the life of the contract. The cost of this material is carried as an outstanding commitment on the contract until bills have been received at which time they are processed for payment.

We trust the above information will clear up the reasons for costs being incurred after the end date of the contract.

Sincerely yours,

25X1

Contracts Manager

RJT/db